short time in the country: the entries did not follow one another in proper sequence as regards dates, and it showed other signs of hasty preparation; and on calling for the original, a book was produced by the late Secre-tary, F. H. Hayselden, which showed numerous erasures and interlineations, and only occasional footings, and

those in pencil. The Secretary of the Board, Mr. G. W. Parker, was appointed on the 2nd of September, 1883. As this gentleman was not at the time a Hawaiian subject and has only recently obtained that distinction, his appointment to the office was in direct violation of the law. We are also compelled to say that as far as we are able to judge of his clerical abilities, he is entirely incompe-

"Pacific Commercial Advertiser" and "Elele" for Printing and Advertising, etc. \$ 972 25
Mrs. Hayselden, for 2 months rent of house. 225 00 Jas. Dodd, carriage and emnibus hire for the Sisters of

BOARD OF IMMIGRATION.

HONOLULE, May 31st, 1884.

HOLL GODFREY BROWN,

OD

RSO

ie He

DI

tte

K.

MO

t N

in is

3

DE

S

L

is

\$1

Chairman Finance Committee. Hawaiian Legislative Assembly.

Six.-Having been ordered by you to examine into the accounts of the Board of Immigration for the past fiscal period, say April 1st, 1882 to April 1st, 1884, I have to report having done so, and place the following before you as the result of my examination :

The appropriation account had placed to its credit the sum of \$500,000, of which has been expended \$473,050 02 leaving unexpended abalance of \$26,949 98.
This sum of \$500,000 is at the disposition of the President of the Board of Immigration, who is also Minister of the Interior

An account book, styled the "Detail Book," containing this appropriation account was placed before me with a package of vouchers. The accounts and vouchers were duly examined and I now note some matters connected therewith.

The expenses of the Commissioner sent to London to arrange for a continuation of Portuguese Immigration seem to have been covered by a draft for £500. Jan. 24. 1883, and another draft for £300, March 31, 1883, and an account for \$559 02 for cablegrams, all of which accounts are duly audited, say \$4,559 02; but I was later on in my investigation shown a voucher for \$2,000 more paid to this officer from a fund in the hands of the Secretary of the Board of Immigration, to which I shall again refer in full; this voucher had not been audited, making a total amount of \$6,559 02 paid to this officer without detailed account of expenditure.

The next matter attracting my attention was voucher No. 3937 for \$2,500, drawn by "Walter M. Gibson," approved by "Chas. T. Gulick, Minister of Interior," audited Nov. 19, 1883, by "J. S. Walker, Auditor-General," paid Nov. 20, 1883, for expenses of Immigration Commissioners, by resolution of Cabinet Council of October 19, 1883, and 1884, tober 31st, 1883, for which there was no detail of expenditure.

Also voucher No. 3422 for \$6,200, drawn by "Walter M. Gibson," approved by "Chas T. Gulick, Minister of Interior," audited by "J. S. Walker, Auditor-General," Jan. 18, 1884, for expenses Immigration Commissioners, by resolution of Cabinet Council, October 31, 1883, for which there was no detail of expenditure. Also voucher No. 3905 for \$4,882 55 drawn by "Walter M. Gibson." approved by "Chas. T. Gulick, Minister of Interior," andited by "J. S. Walker, Anditor-General," March 28, 1884, and paid March 29, 1884, for expenses "Foreign Emigration Agents," with a note that "vouchers to be supplied;" making a total sum of \$13,582 55 paid to "Walter M. Gibson," for which no detailed vouchers could be supplied by the clerks of the Interior Department, although drawn against an appropriation for that

department. The Secretary of the Foreign Office afterwards in-formed me that the bills for which those vouchers were drawn were in his department and would be put into my hands. Three rolls of vouchers were put in my hands to represent the drafts for \$13,582 55, as follows: \$ 1,290 62

Expense Boston Exposition Salary of C. P. Ianken Salary of F. L. Clarke Paid Finance Department to bal. overdraft on Appro-		451 500 200	
printion for "Foreign Missions"		95	58
	8	2,537	45
For Voucher No. 3,422 representing	j		
Salary Special Commissioner to Washington, D. C	S.		
Expense Boston Exposition		454	38
Salary of C. P. Iaukea		1,000	
Salary of F. L. Clarke and Passages Salary of A. N. Tripp and Sundries purchased to		888	76
Maseum		995	no
Revolver for Capt. Tripp		100	00
	-	20	90

Revolver for Capt. Tripp.		25	1
Carl Street, in the last of the last	8	5,155	1
Amount received			
Balance of			
Por Voucher No. 3,305 representing		840 1,063 1,257 37	à

Amount received......81,882 55 Spent as above 3,198 22

\$1,684 53 deposited. This detailed account from the Foreign Office, cor-

rected, s Avails of		(Illiano)	de la	V.	2.007		0	100.0	
44	177	44	ST.	THE PER	3,420			6,200	
48	- 14	-44	11	46	3,995	WALLEY AND		4.550	
Overpaid	on accor	int draft	t No.	1,03	7			37	45
Paid out	account	draft No	5,03	7		82,537	45	\$ 18,620	90
Deposited Paid out Deposited	per account	ount dra draft No	o. 5.96	3,4	129	3,198	##	5 13,524	58
							-		

The attention of the Secretary of the Foreign Office was called to this amount, \$95 42, not accounted for. The Secretary explained that the amounts noted as deposited were in an envelope in the hands of the Regis-

trar of Public Accounts, as a special deposit, The Registrar of Public Accounts being waited upon These vouchers are not audited 2,748 33

Total amount in envelopetent for the discharge of his official duties.

Amongst the vouchers of the several appropriations and the control of the President of the Board of Health, we find the following:

(Co., January 11th, 1884, but not audited by the Audited Co., January 11th, 1884, but not audited Co.

Stor-General until March 31st, 1884. The several accounts represented by this voucher had been in the department, but one could not be found and

a copy was supplied making the vouchers complete.

This finishes the consideration of the appropriation this Bureau we feel constrained to state that in our opinion a more intelligent disbursement of the liberal appropriations placed at the disposal of the Board would have resulted in greater good to the public. \$6,000, of which but \$3,000 seems to have been drawn, Nov. 14th, 1882, is still unsettled as no detail of the expenditures has been placed on file. This credit does not, however, represent all the funds made available for this Commission, as will be shown later on in this report.

As the sums collected from planters and others for

passage and advances to Portuguese laborers did not appear in the books of account of the Interior Department, application was made at the office of the Registrar of Public Accounts to ascertain whether the sums thus collected had been placed to the credit of account of "Government Realizations," The Registrar replying that he knew nothing of any such sums, the Department of the Interior was again applied to and the Secretary of the Board of lumigration informed me that he had not only made the collections, but had also disbursed them for account of the Board, and presented for examination an account current with each of the

vessels bringing Portuguese immigrants.

The first matter examined in this connection was the table of arrivals of said immigrants, which gave a result so markedly at variance with other means of information that a close examination was made, with the result that an error was found in the account of the S. S. "Hankow's" passenger lists by which 133 men, 111 women, 84 minors, 154 children and 31 infants, a total of 513 souls, were left out of the accounts; the grand total being as follows: 1,690 men, 1,371 women, 561 minors, 2,159 children and 385 infants; grand total, 6.166 souls.

Application was then made for the books of account containing the transactions of the Board of Immigration, and the startling reply was made that no books of account were kept; that the only evidence of such transactions was contained in the loose sheets of journal paper, in the form of accounts current, and accompanying vouchers, which were audited by the Auditor-Gen-

These transactions cover the collection of two hundred and nine thousand two hundred and eighty-six dollars and twelve cents (209,286 12) and the disbursement of one hundred and seventy-two thousand and twenty-two dollars and ninety-six cents (172,022 96) without the warrants of the Appropriation Act and in direct opposi-tion to the terms of "an Act to regulate the receipt, custody, and issue of the public moneys, and to provide for the audit of public accounts" being chapter 23 of the laws of 1882.

The Secretary of the Board says that he acted in all matters of business connected with the collecting and disbursing of these sums of money under the verbal instruction received from the Minister of the Interior, who was ex-officio President of the Board of Immigration ; that the only meetings of this Board were held (1) Aug. 24, 1882, (2) Sept. 22, 1882, (3) Oct. 21, 1882, (4) May 7, 1883, (5) Dec. 14, 1883, since which time no meetings have been held; that the records of these meetings do not show that these money transactions were considered by the Board and therefore could not have had the horization of the Board.

The accounts current with the several vessels were examined and compared with vouchers and the following table compiled therefrom :

79,707	97	\$70,507 97 \$79,707	100										
	16	1002,788	9 49	migrati	Imi	2	Board	- Q	Balance in hand of Secretary, Board of Immigration \$87,263 16	mind of	nee to t	Bala	
	X		8	12 \$ 174,022 00 S30,244	4		200,296	6/h	\$17,771 11 \$	10	100	1,714	
14,751			18	21,610 20		8	40,301	1 8	0,411	ī	3	non	. 8. "Bell Rock," Nov. 1, 1888
#, LNO		E.	2	46,076	28	17	48,213	7	4,411	1	æ.	#	, 8, "Hankow," July 7, 1883
114,1121		1	911	4,800	X	88	29,750	Z	2,050	1	7	2772	. S. "Abergeldie?" May 4, 1861
28,007		4	3	7,190	9	7 (10	35,007	8	2,082	ŧ	17	818	. S. "Hansa," September 9, 1882
i.	2	\$35,244	2	00,080	24	5 22	343,736	草	1,385	8	200	200	, 8, " Monarch," June 7, 1882
\$ 300	-		01	15,251 01	2		15,611	2	\$1,021	=	更.	E	Earl Dalhousie," March 27, 1884
Cd't Balances.		Debit Balances.	, and granton.	Total expenses paid by Secre- tary Board of Immigration.		Advances.	Total Receipts, Passages and		Total advances to 1 m m i - grants.	No. of Minors.	No. of Women.	No. of Men.	Vessel and Date of Arrival.
							o		H	JC A.	TABLE A.		

2 8 8 8

Vessel and President Board of Immigration.	Cost of Janding ter cholin.		Cost of preparing	empraets.	Per dlem, Cost in	depot per capita.	For Stern, Cost express hire.	Per diem. Cost iunches in depot.	Time of orresing	tion of the depot.
"Earl Dalhousie" W. N. Armstrong	22) et	16.	813	ets.	151	cts		Carrie	22	days.
"Monarch" S. K. Kani	181		8		21				13	19:
"Hansa" J. E. Bush	23 ,		15	16.			\$11.83	00 cts.	10	
"Abergeldie" J. E. Bush	25	10	25		36		\$12.00	\$8,35	13	10
"Hankow" J. E. Bush	, iii,	10	25		409	-86	\$17.94	\$2,67	9	M.
"Bell Rock" C. T. Guliek		100	25	že.	181		8 8,73	\$4.06	12	
					6.					

The cost of landing the passengers and their luggage from S. S. "Abergeldie" and "Hankow" was 25 and 35 cents respectively. Tenders were made to land the people and their luggage from these vessels for the sum of ten cents per passenger, but for some reason the tenders were ignored.

The cost of preparing the contracts depended entirely upon the persons to whom the job was allotted. Parties outside of the Government House were paid in one instance S cents a copy and in another 15 cents, while parties connected with the department were paid 25 and 371 cents per copy.

The charges for express hire were for carriage of the Secretary of the Board of Immigration so far as the vouchers show, while the lunches were for the same official and his assistants.

Drayage charges for the S. S. "Abergeldie" and "Hankow" were double rates for day and night work. The cost of immigrants to the Board by the '

Rock" as made up by the Secretary of the Board of Immigration was \$46 per capita. The figures for the other vessels had not been made up.

The Secretary of the Board of Immigration was called

representing still further expenditure of moneys which by Section 2 of the Auditor's Act should have been covered into the Treasury. It will be observed that the transfers hereinbefore set forth have been not only from and to accounts in one department, an act permissible under former appropria-

tion Acts, but purposely omitted in the Act of 1882; but there have also been transfers from accounts in one department to accounts in another department and for widely different purposes. The most notable instances of these most irregular and unwarrantable transfers will be found in the three sums taken from the funds in the hands of the Board of Immigration by the Minister of Foreign Affairs, to which your attention is particularly

The vouchers now presented to me for examination the Appropriation Act was but \$500,000, it follows that had not been audited, although the Auditor-General's there has been an illegal expenditure of \$188,298 32, for attention had been called to them at the close of the which indemnity should be sought by the Ministry. fiscal period. I was informed that the Auditor-General was aware of the collections of money by the Secretary of the Board of Immigration and of its disbursement and it is presumable that he was acquainted with the or for that matter to any other officer. He also says the only error in handling such large sums of money that the accounts current which were placed in my over a period of two years. hands were made up within the past quarter from the memoranda which had been accumulating during the fiscal period; that the disbursements now under consideration were authorized by the President of the Board of Immmigration, holding office as follows:

His Excellency S. K. Kaai, from May 20th to August His Excellency J. E. Bush, from August 9th, 1882, to

July 26th, 1883. His Excellency W. M. Gibson, from July 27th to August 5th, 1883. His Excellency C. T. Gulick, from August 6th, 1883-

now in office. These vouchers have been examined and classified for the purpose of showing the objects for which the money was expended. The only merit these expenditures have is that they are mostly for purposes connected with the Bureau of Immigration.

TABLE C.

Furniture, Tools, etc. at the Depot				
	V V6.448.444	Expenses Commission to Japan Expenses German Immigration Trotection of South Sea Islanders. Expenses Portuguese Immigration. Salary of Inspector-General of Immigration. Traveling Expenses Inspector-General of Immigration Expenses Norwegian Immigrants. Repairs, etc., Immigration Depot. Furniture, Tools, etc. at the Depot. Salary Secretary Board of Immigration. Subsistence of Immigrants. Return of South Sea Islanders. Commissioner of Portuguese Immigration.	921 3,527 1,146 11,107 3,125 887 467 1,899 95 1,075 775 5,860 2,000	50 50 50 50 50 50 50 50 50 50 50 50
			33,537	26

The item of Expenses Commissioner to Japan, \$921, is made up of money advanced to His Excellency J. M. Kapena, \$400, upon his bare receipt, and to the Hon, J. L. Kaulukou, \$500, upon a like receipt, both payments being made upon the 23d September, 1882; the balance is for express hire of the Commissioners and His Excellency the President of the Board of Immigration of larity must exist. that period.

The accounts presented by and paid to the Protector of the South Sea Islanders are in marked contrast to those presented by other parties drawing upon the funds of the Board of Immigration, being detailed with great care and evident conscientiousness.

The item of expenses of Portuguese Immigration, \$11,107 51, is a peculiar one, showing a willful disregard of the terms of the Auditor's Act and of the Ap-

The expenses of landing the passengers and luggage and caring for the few people, differing so greatly in the several vessels, it may be well to tabulate the figures in order that you may be helped to a proper understanding of the point sought to be made:

TABLE B.

TABLE B. to the first page of my report, the appropriation for Encouragement of Immigration had at the close of the fiscal period a balance of \$26,949 48 to which this item of \$20,724 20 was rightly chargeable; but for some unaversalized explained reason or purpose the item was settled by an illegal payment of \$11,107 51 out of the funds in the hands of the Secretary of the Board of Immigration and the balance \$9,616 69 was properly charged up to he Appropriation account.

The item for traveling expenses of the Inspector-General of Immigrants, \$887, is meagerly explained by vouchers; one being for expenses of Inspector-General and one servant, \$500, and another for expenses of

the Inspector and two servants, \$212 50.

The item for Commissioner of Portuguese Immigration, \$2,000, was paid to the Commissioner as shown by his voucher; but for what purpose and why not included in the charge before alluded to and charged to the

regular appropriation account is not explained.

The balance which should have been in the hands of the Secretary at this time is the difference between

Balance given in Table A	87,288 88,887	19 20	
Or a balance of	3,425	20	

When the Secretary of the Board of Immigration was again asked for the balance of cash in his hands he passed over a receipt from Messrs, Irwin & Co. for \$9,388 08 for cash received by them for account of advances on account of Portuguese Immigration made by J. D. Spreckels & Bros. in San Francisco, which Messrs, Irwin & Co. duly account for in their account current.

The Secretary explained that it was the balance of cash remaining in his hands which he was instructed to pay over to Messrs, Irwin & Co., and which lessened by so much the draft properly made upon the regular appropriation account for "Encouragement of Immigration" in settlement with Messrs. Irwin & Co. Your attention is asked to the balance cash in the Secretary's bands, \$9,388 08 and the balance which his account The Secretary of the Board of Immigration was called upon for the cash balance in his hands, as per table A, and presented in lieu thereof, several rolls of vouchers representing still further expenditure of moneys which by Section 2 of the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should have been covariant to the second to the Auditor's Act should back his accounts but could not find the error.

From the statement made to the Assembly it would appear that the total cost for "Encouragement of Immigration" was \$473,050 02; but to this sum should be added the sum of collections accounted for by the Secretary of the Board of Immigration and the sum of cash in excess, say ;

legular Appropriation Account Collections, Secretary of Board, see Table A	209,286	12	
Total Expenditure	\$689,298	32	

As the limit which could be lawfully expended under the Appropriation Act was but \$500,000, it follows that

The facts herein shown, that the sum of \$215,248 30 has been collected and disbursed by the Board of Immigration, and this without books of accounts, and that he has vouchers for \$5,962 18 over and above any record of provisions of the Act creating his office; but for some reason, which he may be able to explain, the Secretary of the Board of Immigration was never ordered to cover the money into the Treasury. The Secretary of the special commission for the special commission fo Board also states that he was never called upon to make a quarterly or any other exhibit to the Auditor-General, nize the improbability that the excess of \$5,962 18 covers

Respectfully submitted, J. O. CARTER, Accountant.

PRINTING, ADVERTISING, ETC.

The numerous and large payments to the owners of the P. C. Advertiser and Elele for subscriptions, printing and advertising, attracted the attention of the committee early in the course of their investigations, and led them to note the amounts, although all of the sums thus expended were not noted by the committee; the item which they did note amounted to so large a sum, that we deemed it important that attention should be directed to the matter. And to do no injustice we have obtained from the office of the Havaiian Gazette and Saturday Press the total amounts paid them by the Hawaiian Government during the period, and present the following

	comparative statement.	
	Paid to P. C. Advertiser and Elele	62
	Paid Hawaiian Gazette, Mar. 31, 1882, to Mar. 31,	
ò	1884, Printing and Advertising, \$2,383 42 On account of contract for printing Civil Code 1,530 80	
6		92
ī	Saturday Press	25

IN CONCLUSION

Your Committee beg to state that they submit their Report to the Honorable House with a feeling that it does not cover all the transactions of the Government that require investigation, but the task of making a more thorough and searching scrutiny would have con-sumed so much time that they have concluded to rest

Attention is called to the report of Mr. J. O. Carter, on the Board of Immigration, which is a very careful and impartial statement of the way in which Government business is managed and your Committee would recommend that a special committee of experts be appointed to thoroughly investigate all transactions of the Board; the fact that the cash is over in the large sum of \$5,962 IS showing concusively that great irregularity

Respectfully submitted,

GODFREY BROWN, Chairman, JAMES KEAU. WILLIAM O. SMITH, JOS. NAWAHI. W. E. ROWELL

Honolulu, June 13, 1884.

5 3,198 22

95 42